



W-02197A-13-0115
W-02197A-12-0410

From: Tim Kylo <timkylo@msn.com>
Sent: Tuesday, September 10, 2013 9:35 AM
To: **ORIGINAL** Charles Hains; byrd.christopher@azdeq.gov; maf@azdeq.gov; Utilities Div - Mailbox; Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBurns-Web
Subject: Humboldt Water Systems, Inc.

Chris Haines (ACC) chains@azcc.gov

Christopher Byrd (ADEQ) cb8@azdeq.gov

Michael Fulton (ADEQ) maf@azdeq.gov

Steve Olea (ACC) mailmaster@azcc.gov

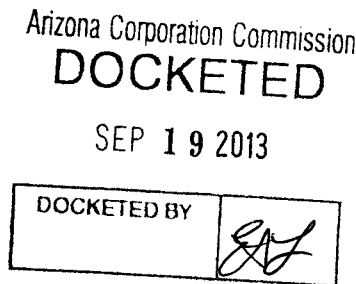
Gary Pierce (ACC) pierce-web@azcc.gov

Brenda Burns (ACC) Burns-web@azcc.gov

Bob Stump (ACC) stump-web@azcc.gov

Susan Bitter-Smith (ACC) BitterSmith-web@azcc.gov

Bob Burns (ACC) RBurns-web@azcc.gov



ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2013 SEP 19 P 12:11

RECEIVED

Humboldt Water Systems, (HWS) a small 300 customer regulated Water Utility Company in central Arizona is currently stuck in a Paradoxical situation from which it cannot escape because of contradictory rules of two State Agencies. The paradox is that HWS is required to comply with Arizona Department of Environmental Quality, (ADEQ) rules regarding a Consent Order for a water treatment facility, and at the same time restricted from doing so by the Arizona Corporation Commission (ACC) rules regarding financing.

While HWS is anxious to comply with the Safe Drinking Water Act and install the necessary treatment facility, it does not have the funds necessary to pay for the treatment plant. A Water Infrastructure Finance Authority (WIFA) loan has been initiated and the resulting Finance Application and Rate Case are in process. ADEQ has a requirement that HWS submit an application for approval to construct which was submitted by HWS in April of 2013. The application was not accepted for lack of a Professional Engineer's Stamp and lack of the \$1,500 application fee. HWS does not have the funds necessary to pay for the Engineer to submit the application. That is why the company has spent the last 12 months involved in finance applications and a Rate Case with the ACC.

HWS is simply asking for your help in getting the two agencies to talk to each other and arrive at a congruous time frame that will allow HWS to comply. Currently it is impossible to comply with both State Agencies requirements.

Thank you for your attention.

Tim Kylo

President HWS

timkylo@msn.com